Case: 3:16-cv-50313 Document #: 30-2 Filed: 01/25/17 Page 39 of 41 PageID #:243

IN THE UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS WESTERN DIVISION

MICHAEL TAYLOR,)
Plaintiff,)
v.) Case No. 16 @V 50313
SAMSUNG ELECTRONICS AMERICA, INC. a New Jersey Corporation, and SAMSUNG ELECTRONICS CO., LTD, a Foreign Limited Liability Company,))))
Defendants.)

AFFIDAVIT OF MICHAEL TAYLOR

- I, Michael Taylor, being duly sworn and under oath, states as follows:
- 1. I did not own the Samsung Galaxy Note 7 phone that is at issue in this occurrence.
- 2. I did not order the Samsung Galaxy Note 7 phone that is at issue in this occurrence.
- 3. I did not receive from the owner of the Samsung Galaxy Note 7 phone that is at issue in this occurrence any written materials.
- 4. I did not pay any phone bills regarding the Samsung Galaxy Note 7 phone that is at issue in this occurrence.
- 5. I was not named on the account in relation to the Samsung Galaxy Note 7 phone that is at issue in this occurrence.
- 6. I was provided the Samsung Galaxy Note 7 phone that is at issue in this occurrence as an employee benefit.
- 7. I paid no consideration for the Samsung Galaxy Note 7 phone that is at issue in this occurrence.
- 8. I am not a party to any contract with any Samsung company.



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- 9. The owner of the Samsung Galaxy Note 7 phone that is at issue in this occurrence was my employer.
- 10. The monthly charges related to the Samsung Galaxy Note 7 phone that is at issue in this occurrence were being paid by my employer.
- 11. At no time prior to receiving the Samsung Galaxy Note 7 phone that is at issue in this occurrence from my employer did Samsung notify me that there was an arbitration clause contained within any written materials or at any website other than the materials already identified in the declaration of Rowan that would have been provided to the purchaser/owner of the phone, which was my employer.
- 12. When I was injured by the phone, the phone's owner, my employer, reported the event. Samsung has never contacted me, but I understand Samsung did contact my employer following the event.
- 13. At no time did I ever consent to a waiver of any of my constitutional rights, and in particular, I have never asked nor did I ever consent to arbitration in the event the Samsung Galaxy Note 7 phone caused injury to me.

Further your affiant sayeth not.

Dated:

January 25, 2017

Subscribed and Sworn to this 25th day of January, 2017.

"OFFICIAL SEAL"

Jane Brawner Notary Public, State of Illinois My Commission Expires 9/2/2017

Devon C. Bruce Power, Rogers & Smith 70 West Madison, #5500 Chicago, IL 60602 Phone: 312/236-0381

Phone: 312/236-9381 dbruce@prslaw.com

Jan H. Ohlander Reno & Zahm, LLP 2902 McFarland Road, Suite 400 Rockford, Illinois 61107 Phone: (815) 987-4050 jho@renozahm.com Case: 3:16-cv-50313 Document #: 66 Filed: 08/30/17 Page 1 of 9 PageID #:956

IN THE UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS WESTERN DIVISION

MICHAEL TAYLOR,)	
Plaintiff,)	
v.)	Case No. 3:16-cv-50313
SAMSUNG ELECTRONICS	}	
AMERICA, INC. a New Jersey Corporation and SAMSUNG)	
ELECTRONICS CO., LTD, a Foreign Limited Liability Company,)	
Defendants.)	

FIRST AMENDED COMPLAINT

Now comes, MICHAEL TAYLOR, by and through is attorneys, POWER, ROGERS & SMITH, LLP and RENO & ZAHM, LLP, pleading hypothetically and in the alternative, states as follows:

JURISDICTION AND VENUE

- 1. This is an action for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00) exclusive of interest, costs and attorney's fees.
- 2. Plaintiff, MICHAEL TAYLOR, is and has been a citizen of Winnebago County, Illinois.
- Defendant, SAMSUNG ELECTRONICS AMERICA, INC. (herein referenced as "Samsung America") is a citizen of New Jersey and is a New Jersey Corporation with its principal place of business located at 85 Challenger Road Ridgefield Park, NJ 07660-0511.
- 4. Defendant SAMSUNG ELECTRONICS CO., LTD (herein referenced as "Samsung Korea") is a citizen of South Korea and is a foreign corporation with its principal place of business at 129, Samsung-Roy, Yeongtong-gu, Suwon-si, Gyenggi-do, Korea.
- 5. Both SAMSUNG AMERICA and SAMSUNG KOREA, (collectively known as "SAMSUNG") are in the business of manufacturing, designing, testing, assembling, supplying, selling, importing and distributing electronics, including the "Samsung Galaxy Note 7" cell phone and its component parts that are the subject of this lawsuit.



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- .6. Jurisdiction in this case is founded upon 28 U.S.C. §1332, as the parties are citizens of different states and the amount in controversy exceeds \$75,000.00.
- 7. Venue is proper in the District and Division because a substantial part of the events or omissions giving rise to the claim occurred in Winnebago County, Illinois.

BACKGROUND

- 8. On or about August 16th, 2016, Michael Taylor's employer purchased a Galaxy Note 7 phone for use by Michael Taylor, an employee.
- 9. At all relevant times, Michael Taylor charged the Samsung Galaxy Note 7 when needed with the Samsung charger.
- 10. On September 12, 2016 and prior to going to sleep, Michael Taylor plugged the Samsung Galaxy Note 7 into the Samsung charger and went to sleep.
- 11. On September 13, 2016, Michael Taylor awoke from sleep to find that the phone was shooting flames.
- 12. On September 13, 2016, the Samsung phone burned the mattress as depicted below and multiple areas of Michael Taylor's body.



On September 13, 2016, Michael Taylor was rushed to the hospital where he was diagnosed as having 1st, 2nd and possibly 3rd degree burns to his lower extremities as depicted below.



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14. The phone was completely charred and burned as a result of the explosion and fire as depicted below.



- 15. As a result of Defendants' negligence, strict liability, and other liability producing conduct and the explosion of the Samsung Galaxy Note 7 phone, Michael Taylor sustained severe, permanent injuries including, but not limited to his groin and legs.
- 16. On September 2, 2016, SAMSUNG representatives released an official statement explaining that they were ceasing all sales of the Samsung Galaxy Note 7 as a result of reports of 35 faulty phone batteries.
- 17. The lithium-ion battery found in all of SAMSUNG'S Newer Galaxy Smartphones includes volatile and flammable chemical compounds that can become unstable if overheated or punctured, which can cause the battery to burst into flames or explode.
- 18. Nearly every major US cell phone carrier, including but not limited to Verizon, T-Mobile, Sprint, and U.S. Cellular have released recall information for consumers who ordered SAMSUNG's Galaxy Note 7 Smartphone.
- 19. Samsung has now admitted in a Wall Street Journal Article dated January 28, 2017, that two of its subcomponent manufacturers provided defective batteries which were placed in the Samsung Galaxy Note 7 phone. Wall Street Journal, "Samsung Battery Fix Gets a C Grade for Now", Monday, January 28, 2017
- 20. Plaintiff, Michael Taylor, did not own the Samsung Galaxy Note 7 phone that is at issue in this occurrence.
- 21. Plaintiff, Michael Taylor, did not order the Samsung Galaxy Note 7 phone that is at issue in this occurrence.
- 22. Plaintiff, Michael Taylor, did not receive from the owner of the Samsung Galaxy Note 7 phone that is at issue in this occurrence any written materials.
- 23. Plaintiff, Michael Taylor, did not pay any phone bills related to the use of the Samsung Galaxy Note 7 phone that is at issue in this occurrence.

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- 24. Plaintiff, Michael Taylor, was never provided by Samsung any arbitration clause regarding the phone at issue.
- 25. At no time did plaintiff, Michael Taylor, read any instructions for the phone and/or the arbitration clause.
- 26. Plaintiff, Michael Taylor, was not named on any account in relation to the Samsung Galaxy Note 7 phone that is at issue in this occurrence.
- 27. Plaintiff, Michael Taylor, was provided the Samsung Galaxy Note 7 phone that is at issue in this occurrence as an employee benefit.
- 28. Plaintiff, Michael Taylor, paid no consideration for the Samsung Galaxy Note 7 phone that is at issue in this occurrence.
- 29. At no time prior to receiving the Samsung Galaxy Note 7 phone that is at issue in this occurrence from his employer, did Samsung notify the Plaintiff, Michael Taylor, that there was an arbitration clause contained within any written materials or at any website other than the alleged materials already identified in the declaration of Rowan filed in this case, which were never provided to Michael Taylor by Samsung.
- 30. Prior to introducing the Samsung Galaxy Note 7 at issue into the stream of commerce, Samsung America and Samsung Korea had substantial knowledge that this phone model at issue, the Galaxy Note 7, had a potential of overheating; burning; emitting flame and/or causing serious injuries to the consumers.
- 31. Samsung America relied upon its arbitration clause as a means to limit its exposure to claims instead of stopping the sale of the Samsung Galaxy Note 7 phone when the danger became known to Samsung America.
- 32. If Samsung America did not have an arbitration clause in its documents a recall would have occurred before Michael Taylor was seriously injured.
- 33. The conduct of Samsung America and Samsung Korea was unconscionable in that each of these entities knew that the Galaxy Note 7 at issue had the possibility of being a lethal hazard yet continued to introduce it into the stream of commerce, because the defendants believed an arbitration clause would limit their responsibility to fairly compensate users who were or would be injured by the exploding phones.

Count I (Strict Products Liability)

- 1. All preceding paragraphs are incorporated by reference as if stated fully herein.
- 2. Defendants SAMSUNG are engaged in the business of selling, manufacturing, designing, testing, assembling, supplying, importing, and/or distributing electronics to the public,

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- including the Galaxy Note 7 cell phone purchased by Michael Taylor's employer and used by Michael Taylor.
- 3. Defendants SAMSUNG placed the Galaxy Note 7 cell phone which injured Michael Taylor into the stream of commerce for sale through retailers with knowledge that it would be used without adequate inspections for dangers or defects.
- 4. Defendants SAMSUNG knew or should have known that the ultimate users, operators or consumers would not or could not properly inspect these products for dangerous conditions and that the detection of such defects and dangers would be beyond the capabilities of such persons.
- 5. The Galaxy Note 7 cell phone which injured Michael Taylor was not reasonably fit, suitable, or safe to the ultimate operators or consumers for its intended or reasonably foreseeable purposes when manufactured, designed, tested, assembled, supplied, imported, distributed and/or sold by Defendants SAMSUNG and was unreasonably dangerous as follows:
 - a. The Galaxy Note 7 cell phone was manufactured, designed, tested, assembled, supplied, imported, distributed and/or sold in an unsafe, unsuitable, unreasonably dangerous and defective condition such that the Galaxy Note 7 cell phone had an unreasonable propensity to heat and catch fire during normal and foreseeable use;
 - b. The Galaxy Note 7 cell phone was manufactured, designed, tested, assembled, supplied, imported, distributed and/or sold in an unreasonably dangerous, unsuitable, unfit, dangerous and defective condition, such that the cell phone had an unreasonable propensity to explode during normal and foreseeable use;
 - c. The Galaxy Note 7 cell phone was defective in its design, manufacture and warnings in that it failed to operate as marketed and advertised, and failed to alert users to the hazardous condition described herein;
 - d. the Galaxy Note 7 cell phone was defective due to inadequate, or the absence of, warnings or instructions, including warning stickers, placards, or proper documentation to alert users regarding the hazardous conditions described herein; and
 - e. The Galaxy Note 7 cell phone was defective in that its risks outweighed its utility and/or in that a more practical, feasible, and safer alternative design existed that would have reduced or prevented the propensity of the lithium-ion battery to explode.
- 6. At the time of the subject incident, the Galaxy Note 7 cell phone was in the substantially same condition as when sold and distributed by SAMSUNG.

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- 7. For the reasons set forth above the Galaxy Note 7 cell phone was unreasonably dangerous and not reasonably fit, suitable and safe to foreseeable users including Michael Taylor.
- 8. As a direct and proximate cause of the foregoing and resulting unreasonably dangerous product of Defendants, SAMSUNG, Michael Taylor sustained serious and permanent bodily injuries resulting in pain and suffering, permanent impairment, disfigurement, disability, mental anguish, inconvenience, loss of the enjoyment of lie, expense of medical care and treatment, expense of hospitalization, lost wages, and ability to earn wages in the past and to be experienced in the future.

Count II (Negligence)

- 1. All preceding paragraphs are incorporated by reference as if stated fully herein.
- 2. Defendants SAMSUNG knew or in the exercise of due care should have known that the Galaxy Note 7 cell phone which injured Michael Taylor would create a foreseeable risk of harm to users, including Michael Taylor.
- 3. Defendants SAMSUNG were under a duty to properly and adequately manufacture, design, test, assemble, supply, import, distribute and/or sell the Galaxy Note 7 cell phone in a reasonably fit, suitable, and safe condition as not to present a danger to members of the general public who reasonably and expectedly, under ordinary circumstances, would come into contact with it, including Michael Taylor.
- 4. Defendants SAMSUNG breached the duty owed to Michael Taylor by negligently selling, manufacturing, designing, testing, assembling, supplying, importing, and/or distributing the Galaxy Note 7 cell phone when it was not in a reasonably fit, suitable or safe condition for foreseeable use, as follows:
 - a. failed to manufacture, design, test, assemble, supply, import, distribute, and/or sell the Galaxy Note 7 cell phone in such a manner that it would not spontaneously heat and catch fire:
 - b. failed to manufacture, design, test, assemble, supply, import, distribute, and/or sell the Galaxy Note 7 cell phone in such a manner that it would not spontaneously explode;
 - c. failed to provide reasonable and adequate warnings to the suppliers, purchasers and users of the Galaxy Note 7 cell phone to alert users of the dangerous conditions described herein; and
 - d. failed to timely recall its product.

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- 5. The defects described above existed at the time the Galaxy Note 7 cell phone left SAMSUNG's control and did not undergo substantial change.
- 6. Michael Taylor was at all times a foreseeable user or consumer.
- 7. The negligence described above directly and proximately caused the incident and injuries sustained by Michael Taylor in that it directly and in natural continuous sequence, produced or substantially contributed to his injuries.
- 8. As a direct and proximate cause of the foregoing negligent conduct and resulting unreasonably dangerous product of Defendants, SAMSUNG, Michael Taylor sustained serious and permanent bodily injuries resulting in pain and suffering, permanent impairment, disfigurement, disability, mental anguish, inconvenience, loss of the enjoyment of life, expense of medical care and treatment, expense of hospitalization, lost wages, and ability to earn wages in the past and to be experienced in the future.

COUNT III (Samsung's Violation of the Illinois Consumer Fraud Act)

- 1. All preceding paragraphs are incorporated by reference as if stated fully herein.
- 2. At all relevant times, there was in full force and effect the Illinois Consumer Fraud Deceptive Trade Practices Act. 810 ILCS 505.
- 3. The design, manufacture, sale and failure to timely recall the Samsung Galaxy Note 7 cell phone by defendants of the known defective product was a deceptive practice.
- 4. The deception of introducing a known dangerous product into the stream of commerce and failing to timely recall the product by Samsung occurred during the trade of commerce.
- 5. Defendants SAMSUNG engaged in unconscionable, fraudulent, deceptive, or unlawful advertisement and/or sales practices with respect to the defective Samsung Galaxy Note 7 cell phone in violation of The Illinois Consumer Fraud Act.
- 6. Defendants SAMSUNG's misrepresentations and omissions regarding the purported safety and reliability of the defective Samsung Galaxy Note 7 cell phone were likely to deceive a reasonable purchaser, like Michael Taylor's employer and permissive users like Michael Taylor, and the information would have been material to a reasonable purchaser.
- 7. Defendants SAMSUNG engaged in these unlawful, fraudulent and deceptive sales, recall and advertisement practices in furtherance of its business.

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- 8. Had plaintiff known that the Samsung Galaxy Note 7 cell phone posed a significant safety and life-threatening defect, he would not have used it.
- 9. As a direct and proximate result of Defendant SAMSUNG's violation of 810 ILCS 505, Michael Taylor suffered actual damages.
- 10. As a direct and proximate cause of the foregoing conduct and resulting unreasonably dangerous product of Defendants, SAMSUNG, Michael Taylor sustained serious and permanent bodily injuries resulting in pain and suffering, permanent impairment, disfigurement, disability, mental anguish, inconvenience, loss of the enjoyment of life, expense of medical care and treatment, expense of hospitalization, lost wages, and ability to earn wages in the past and to be experienced in the future.
- Defendant SAMSUNG's conduct constitutes unconscionable and unlawful advertisement, and fraudulent or deceptive sales practices in violation of 810 ILCS 505, and this Court should award plaintiffs their costs and attorneys' fees pursuant to 810 ILCS 505.

Wherefore, Plaintiff demands Judgement against the Defendants.

- A. On the First Cause of Action, compensatory damages and any such other relief as the court deems just and proper, including costs of suit;
- B. On the Second Cause of Action, compensatory damages and any such other relief as the court deems just and proper, including costs of suit:
- C. On the Third Cause of Action, compensatory damages, interest, attorney's fees, costs of suit and any such other relief as the court deems just and proper.

JURY DEMAND

Plaintiff hereby demands a trial by jury.

Respectfully Submitted,

/Devon C. Bruce
Co-Counsel for Plaintiffs

/Jan H. Ohlander Co-Counsel for Plaintiffs

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Devon C. Bruce Jonathan M. Thomas Power, Rogers & Smith 70 West Madison, #5500 Chicago, IL 60602

Tel: 312/236-9381 Fax: 312/236-0920

Jan H. Ohlander Reno & Zahm, LLP 2902 McFarland Road, Suite 400 Rockford, Illinois 61107 Phone: (815) 987-4050

Fax: (815) 987-4092

IN THE UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS WESTERN DIVISION

MICHAEL TAYLOR;)
Plaintiff,)
v.) Case No. 16 CV 50313
SAMSUNG ELECTRONICS AMERICA, INC. a New Jersey Corporation, and SAMSUNG ELECTRONICS CO., LTD, a Foreign Limited Liability Company,))))
Defendants.)

AFFIDAVIT OF SUSAN TAYLOR

- I, Susan Taylor, being duly sworn and under oath, states as follows:
- 1. I am the mother of the Plaintiff, Michael Taylor, in the above-captioned case.
- 2. I am a shareholder, director and officer of Taylorbuilt Farms, Inc. ("Farms Inc."), which is an Illinois corporation in good standing. Mark Taylor is also a shareholder, officer, and director of Farms Inc.
 - 3. Michael Taylor is not an owner or officer of Farms Inc.
- 4. On and before August 2016 and September 13, 2016, Michael Taylor was, and is currently, an employee of Farms Inc.
- 5. In August 2016, Farms Inc. owned a Samsung Galaxy Note 7 cellular telephone (the "Samsung Galaxy Note 7 Telephone") for use by its employee, Michael Taylor. At all times

1



the Samsung Galaxy Note 7 Telephone has remained the property of Farms Inc. It is a tool, similar to other company tools, our employees use to perform their jobs.

- 6. On September 13, 2016, the day Michael Taylor was injured, Michael Taylor, as a Farms Inc. employee, was a permissive user. Michael Taylor was never the purchaser or owner of the Samsung Galaxy Note 7 Telephone.
- 7. At no time did Michael Taylor ever pay any money to purchase the Farms Inc. Samsung Galaxy Note 7 Telephone or pay any money to use the Farms Inc. Samsung Galaxy Note 7 Telephone.
- 8. Any statement, representation, or characterization by any Samsung entity that Michael Taylor was a purchaser or owner of the Samsung Galaxy Note 7 Telephone at issue in this case is false.
- 9. When the Farms Inc. Samsung Galaxy Note 7 Telephone ignited, Mark Taylor, on behalf of Farms Inc., contacted U.S. Cellular to report the incident involving Michael Taylor.
- 10. As purchaser and owner of the Samsung Galaxy Note 7 Telephone, no representative of Farms Inc. ever considered that Farms Inc. would or could waive a Constitutional right to a jury trial for death or serious injury on behalf of any employee, including but not limited to, Michael Taylor.
- 11. Farms Inc. never waived a right to trial by jury or consented to arbitration on behalf of Michael Taylor, and, further, never had authority to consent to arbitration or waive a right to trial by jury for its employee Michael Taylor or any other employee.

12. At no time before or after August of 2016, did Farms Inc. ever deliver to Michael Taylor any packaging, literature, or written materials related to the Samsung Galaxy Note 7 Telephone that Farms Inc. owned.

Dated: 2-2 , 2018

Susan Taylor

CFO, Taylorbuilt Farms, Inc.

Subscribed and sworn to before me this 2nd day of 400., 2018.

Jane

"OFFICIAL SEAL"
JANE BRAWNER

Notary Public, State of Illinois
My Commission Expires 9/2/2021

Devon C. Bruce Power, Rogers & Smith 70 West Madison, #5500 Chicago, IL 60602 Phone: 312/236-9381 dbruce@prslaw.com

Jan H. Ohlander Reno & Zahm, LLP 2902 McFarland Road, Suite 400 Rockford, Illinois 61107 Phone: (815) 987-4050 jho@renozahm.com

MOBILE PHONE

Health & Safety and Warranty Guide

Please read this manual before operating your device and keep it for future reference.

This document contains important terms and conditions with respect to your device. By using this device, you accept those terms and conditions.



Legal Information :: 3:11000 5000 12 Page Document #: 98-2 Filed: 02/08/18 Page 16 of 54 PageID #:1258

writing on the mobile device or on <u>samsung.com</u>
READ THIS INFORMATION BEFORE USING YOUR
MOBILE DEVICE.

Samsung Limited Warranty - This product is covered under the applicable Samsung Limited Warranty INCLUDING ITS DISPUTE RESOLUTION PROCEDURE and your right to opt out of arbitration within 30 calendar days of the first consumer purchase. You may opt out by either sending an email to optout@sea.samsung.com with the subject line "Arbitration Opt-Out" or by calling 1-800-SAMSUNG (726-7864). For more detailed procedures, please refer to the "Dispute Resolution Procedures and Arbitration and Opt-Out" section of the Limited Warranty.

Full written terms and detailed information about the warranty and obtaining service are available on the device at: Settings → General management/About device → Legal Information → Samsung legal or you may access the online version of the Health/Safety and Warranty guide for your device at:

- E English: www.samsung.com/us/Legal/Phone-HSQuide
- Spanish: www.samsung.com/us/Legal/Phone-HSQuide-SP

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Health and Safety Information

Esettings → General management/About device → Legal information → Samsung legal → Health and Safety

Warranty

Essettings → General management/About device → Legal information → Samsung legal → Warranty

End User License Agreement (EULA)

Essettings → General management/About device → Legal information → Samsung legal → End User License Agreement

WARNING: This product contains chemicals known to the State of California to cause cancer, birth defects, or other reproductive harm. For more information, please call 1-800-SAMSUNG (726-7864).

Intellectual Property

All Intellectual Property, as defined below, owned by or which is otherwise the property of Samsung or its respective suppliers relating to the SAMSUNG Phone, including but not limited to, accessories, parts, or software relating thereto (the "Phone System"), is proprietary to Samsung and protected under federal laws, state laws, and international treaty provisions. Intellectual Property includes, but is not limited

to, inventions (patentable or unpatentable) or unpatentable or

computer programs, and related documentation and other works of authorship. You may not infringe or otherwise violate the rights secured by the Intellectual Property. Moreover, you agree that you will not (and will not attempt to) modify, prepare derivative works of, reverse engineer, decompile, disassemble, or otherwise attempt to create source code from the software. No title to or ownership in the Intellectual Property is transferred to you. All applicable rights of the Intellectual Property shall remain with SAMSUNG and its suppliers.

Open Source Software

Some software components of this product incorporate source code covered under GNU General Public License (GPL), GNU Lesser General Public License (LGPL), OpenSSL License, BSD License and other open source licenses. To obtain the source code covered under the open source licenses, please visit:

http://opensource.samsung.com

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EXCEPT AS SET FORTH IN THE EXPRESS WARRANTY CONTAINED ON THE WARRANTY PAGE ENCLOSED WITH THE PRODUCT, THE PURCHASER TAKES THE PRODUCT "AS IS", AND SAMSUNG MAKES NO EXPRESS OR IMPLIED WARRANTY OF ANY KIND WHATSOEVER WITH RESPECT TO THE PRODUCT, INCLUDING BUT NOT LIMITED TO THE MERCHANTABILITY OF THE PRODUCT OR ITS FITNESS FOR ANY PARTICULAR PURPOSE OR USE; THE DESIGN, CONDITION OR QUALITY OF THE PRODUCT; THE PERFORMANCE OF THE PRODUCT; THE WORKMANSHIP OF THE PRODUCT OR THE COMPONENTS CONTAINED THEREIN; OR COMPLIANCE OF THE PRODUCT WITH THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO. NOTHING CONTAINED IN THE INSTRUCTION MANUAL SHALL BE CONSTRUED TO CREATE AN EXPRESS OR IMPLIED WARRANTY OF ANY KIND WHATSOEVER WITH RESPECT TO THE PRODUCT. IN ADDITION, SAMSUNG SHALL NOT BE LIABLE FOR ANY DAMAGES OF ANY KIND RESULTING FROM THE PURCHASE OR USE OF THE PRODUCT OR ARISING FROM THE BREACH OF THE EXPRESS WARRANTY, INCLUDING INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, OR LOSS OF ANTICIPATED PROFITS OR BENEFITS.

Modification of Software: 3:16-07-50313 Document #: 98-2 Filed: 02/08/18 Page 20 of 54 PageID #:1262 occument #: 98-2 Filed: 02/08/18 Page 20 of 54 PageID #:1262

ISSUES OR INCOMPATIBILITIES CAUSED BY YOUR EDITING OF REGISTRY SETTINGS, OR YOUR MODIFICATION OF OPERATING SYSTEM SOFTWARE.

USING CUSTOM OPERATING SYSTEM SOFTWARE MAY CAUSE YOUR DEVICE AND APPLICATIONS TO WORK IMPROPERLY. YOUR CARRIER MAY NOT PERMIT USERS TO DOWNLOAD CERTAIN SOFTWARE, SUCH AS CUSTOM OS.

Samsung KNOX

Samsung KNOX™ is Samsung's security platform and is a mark for a Samsung device tested for security with enterprise use in mind. Additional licensing fee may be required. For more information about KNOX, please refer to: www.samsung.com/us/knox [061616]

Samsung ⊟ ectronics America (SEA), Inc

Address: 85 Challenger Road Ridgefield Park, New Jersey 07660

Phone: 1-800-SAMSUNG (726-7864)

Internet Address: www.samsung.com optiment #: 98-2 Filed: 02/08/18 Page 21 of 54 PageID #:1263

Electronics Co., Ltd.

Do you have questions about your Samsung Mobile Device?
For 24 hour information and assistance, we offer a new FAQ/ARS System (Automated Response System) at: www.samsung.com/us/support

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This section outlines the safety precautions associated with using your phone. The terms "mobile device" or "cell phone" are used in this section to refer to your phone. Read this information before using your mobile device.

Caution: Exercise care when using the card removal tool to eject an internal card

Warning: Some people may have dizziness, seizures, epileptic seizures or blackouts triggered by light flashes or patterns, even if they have never had a seizure or blackout before. Anyone who has had a seizure, loss of awareness, or other symptom linked to an epileptic condition, or has a family history of such symptoms or conditions, should see a doctor before using the Iris Scanner. DO NOT stare directly into the infrared iris recognition LED as prolonged use can cause eye-strain. Do not stare at the iris recognition LED light when your eyes are less than 20 cm (~8 inches) away from the device, for best results keep your eyes between 25-35 cm (~10-14 inches) away for optimum recognition.

Health and Safety Information 2

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collected and stored locally by the mechanism is not intended to be used for any diagnostic, therapeutic, or preventative purposes. Please follow all instructions for use of this feature.

For best results: remove eye glasses and sun glasses; don't use the Iris Scanner in bright sunlight or areas with excessive reflected light (ex: by the pool or seashore); don't use the Iris Scanner in low light; look straight at the device (not up, down or sideways); and hold your head still for the scan. Tinted contact lenses and surgically repaired/replaced iris lenses may interfere with operation of the Iris Scanner. Don't walk or operate a vehicle while using the Iris Scanner.

Please follow all instructions for use of this feature. For more information, refer to the online support content or visit http://www.samsung.com/us/irisscanner

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not intended for use in the diagnosis of disease or other conditions, or in the cure, mitigation, treatment or prevention of disease. The accuracy of the information and data provided by this device and its related software, including heart rate readings, may be affected by factors such as environmental conditions, skin condition, specific activity performed while using/wearing the device, settings of the device, user configuration/user-provided information, placement of the sensor on the body, and other end-user interactions. Please refer to the user manual for more information on proper wear and use, or see. www.samsung.com/us/ <u>heartratesensor</u>

Note: Water-resistant and dust-resistant based on IP68 rating, which tests submersion up to 5.0 feet for up to 30 minutes.

Health and Safety Information 4

Maintaining Water and Plants F0213 Document #: 98-2 Filed: 02/08/18 Page 26 of 54 PageID #:1268

This device is rated IP68 using the Ingress Protection rating system.

Your device has been tested in a controlled environment and shown to be water and dust resistant in certain circumstances (meets requirements of classification IP68 as described by the international standard IEC 60529 - Degrees of Protection provided by Enclosures [IP Code]; test conditions: 15-35°C, 86-106 kPa, 5.0 feet, for 30 minutes). Despite this classification, your device is not impervious to water damage in any situation. It is important that all compartments are closed tightly.

Follow these tips carefully to prevent damage to the device.

Mhenever your device gets wet, dry it thoroughly with a clean, soft cloth.

water, or to water over 5.0 feet deep for more than 30 minutes. If your device is exposed to fresh water, dry it thoroughly with a clean, soft doth. If the device is exposed to any liquid other than fresh water, rinse the device with fresh water immediately and dry it thoroughly with a clean, soft doth. Fallure to rinse the device in fresh water and dry it as instructed may cause the device to suffer from operability or cosmetic issues.

Mithe device is dropped or receives an impact, the water and dust resistant features of the device may be damaged.

The touchscreen and other features may not work properly if the device is used in water or in other liquids, [040616]

Specific Absorption Rate (SAR) Certification Information

Your wireless device is a radio transmitter and receiver. It is designed and manufactured not to exceed the exposure limits for Radio Frequency (RF) energy set by the Federal Communications Commission (FCC) of the U.S. Government.

These FCC RF exposure limits are derived from the recommendations of two expert organizations: the National Council on Radiation Protection and Measurement (NCRP) and the Institute of Electrical and Electronics Engineers (IEEE). In both cases, the recommendations were developed by scientific and engineering experts drawn from industry, government, and academia after extensive reviews of the scientific literature related to the biological effects of RF energy.

The RF exposure limit set by the FCC for wireless mobile devices employs a unit of measurement known as the Specific Absorption Rate (SAR). The SAR is a measure of the rate of absorption of RF energy by the human body expressed in units

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of watts per kilogram (W ko). The FCC requires comment #: 98-2 Filed: 02/08/18 Page 28 of 54 PageID #:1270

1.6 watts per kilogram (1.6 W/kg).

The FCC SAR limit incorporates a substantial margin of safety to give additional protection to the public and to account for any variations in measurements.

SAR tests are conducted using standard operating positions accepted by the FCC with the device transmitting at its highest certified power level in all tested frequency bands. Although the SAR is determined at the highest certified power level, the actual SAR level of the device while operating can be well below the maximum reported value. This is because the device is designed to operate at multiple power levels so as to use only the power required to reach the network. In general, the closer you are to a wireless base station antenna, the lower the power output of the device.

Before a new model device is available for sale to the public, it must be tested and certified to the FCC that it does not exceed the SARIimit established by the FCC. Tests for each model phone are performed in positions and locations (e.g. at the ear and worn on the body) as required by the FCC. For body-worn operation, this device has been tested and meets FCC RF exposure guidelines when used with an accessory that contains no metal and that positions the mobile device a minimum of 1.5 cm from the body. Use of other accessories may not

ensure compliance with FCCRE exposure 0.213 Document #: 98-2 Filed: 02/08/18 Page 29 of 54 PageID #:1271

Authorization for this mobile device with all reported SAR levels evaluated as in compliance with the FCC RF exposure guidelines.

This device has a FCC1D number: A3LSMN930U [Model Number: SM-N930R4] and the specific SAR levels for this device can be found at the following FCC website: www.fcc.gov/oet/ea/.

The SAR information for this device can also be found on Samsung's website:

www.samsung.com/sar

SAR information on this and other model devices can be accessed online on the FCC's website through

http://transition.fcc.gov/oet/rfsafety/sar.html. To find information that pertains to a particular model, this site uses the device FCC1D number which is usually printed somewhere on the case of the device. Sometimes it may be necessary to remove the battery pack to find the number. Once you have the FCC ID number for a particular device, follow the instructions on the website and it should provide values for typical or maximum SAR for a particular device. Additional SAR information can also be obtained

www.fcc.gov/encyclopedia/specific-absorptionrate-sar-cellular-telephones

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FCCPart 15 Information to Use 1,02132 Document #: 98-2 Filed: 02/08/18 Page 30 of 54 PageID #:1272

cautioned that changes or modifications not expressly approved by Samsung could void your authority to operate the device.

This device complies with part 15 of the FCC Rules. Operation is subject to the following two conditions: (1) This device may not cause harmful interference, and (2) this device must accept any interference received, including interference that may cause undesired operation.

Note: This equipment has been tested and found to comply with the limits for a Class B digital device, pursuant to part 15 of the FCC Rules. These limits are designed to provide reasonable protection against harmful interference in a residential installation. This equipment generates, uses and can radiate radio frequency energy and, if not installed and used in accordance with the instructions, may cause harmful interference to radio communications.

However, there is no guarantee that interference will not occur in a particular installation. If this equipment does cause harmful interference to radio or television reception, which can be determined by turning the equipment off and on, the user is encouraged to try to correct the interference by one or more of the following measures:

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and receiver.

- Connect the equipment into an outlet on a circuit different from that to which the receiver is connected.
- Econsult the dealer or an experienced radio/TV technician for help.

Commercial Mobile Alerting System (CMAS)

This device is designed to receive wireless emergency alerts from the Commercial Mobile Alerting System ("CMAS"; which may also be known as the Personal Localized Alerting Network ("PLAN")). If your wireless provider has chosen to participate in CMAS/PLAN, alerts are available while in the provider's coverage area. If you travel outside your provider's coverage area, wireless emergency alerts may not be available. For more information, please contact your wireless provider.

Samsung Mobile Products and Recycling

Samsung cares for the environment and encourages its customers to recycle Samsung mobile devices and genuine Samsung

Proper disposal of your mobile device and its battery is not only important for safety, it benefits the environment.

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Note: Dispose of unwanted electronics through an approved recycler.

We've made it easy for you to recycle your old Samsung mobile device by working with respected take-back companies in every state in the country.

Note: Most carriers will provide a take-back option for products to be properly disposed when purchasing new products.

For battery recycling, go to call 2recycle.org or call 1-800-822-8837.



Drop It Off

You can drop off your Samsung-branded mobile device and batteries for recycling at one of our numerous Samsung Recycling Direct (SM) locations.

Note: Samsung-branded devices and batteries will be accepted at these locations for no fee

To find the nearest recycling location, go to any of the following:

www.samsung.com/recyclingdirect or call 1-877-278-0799.

LUG-IN to eCYCLING with EPA: www.call2recycle.org/

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Mail It In

provide Samsung customers with a free recycling mailing label.

For more information, go to: https://pages.samsung.com/recycling/index.jsp and follow the on-screen instructions or call 1-800-822-8837.

Follow local regulations regarding disposal of mobile devices and batteries

Dispose of your mobile device and batteries in accordance with local regulations. In some areas, the disposal of these items in household or business trash may be prohibited. Help us protect the environment - recycle!

Warning: Never dispose of batteries in a fire because they may explode.

GPS & AGPS

Certain Samsung mobile devices can use a Global Positioning System (GPS) signal for location-based applications. A GPS uses satellites controlled by the U.S. Government that are subject to changes implemented in accordance with the Department of Defense policy and the 2008 Federal Radio navigation Plan (FRP). Changes may affect the performance of location-based technology on your mobile device.

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which obtains information from the cellular network to improve GPS performance. AGPS uses your wireless service provider's network and therefore airtime, data charges, and/or additional charges may apply in accordance with your service plan. Contact your wireless service provider for details.

Your Location

Location-based information includes information that can be used to determine the approximate location of a mobile device. Mobile devices which are connected to a wireless network transmit location-based information. Additionally, if you use applications that require location-based information (e.g. driving directions), such applications transmit location-based information. The location-based information may be shared with third-parties, including your wireless service provider, applications providers, Samsung, and other third-parties providing services.

Use of AGPS in Emergency Calls

When you make an emergency call, the cellular network may activate AGPS technology in your mobile device to tell the emergency responders your approximate location.

AGPS has limitations and might not work in your area. Therefore:

ways tell the emergency responder your location to the best of your ability; and

Bemain on the mobile device for as long as the commend of th

Navigation

Maps, directions, and other navigation-data, including data relating to your current location, may contain inaccurate or incomplete data, and circumstances can and do change over time. In some areas, complete information may not be available. Therefore, you should always visually confirm that the navigational instructions are consistent with what you see before following them. All users should pay attention to road conditions, closures, traffic, and all other factors that may impact safe driving or walking. Always obey posted road signs.

Emergency Calls

This mobile device, like any wireless mobile device, operates using radio signals, wireless and landline networks, as well as user-programmed functions, which cannot guarantee connection in all conditions, areas, or circumstances.

Therefore, you should never rely solely on any wireless mobile device for essential communications (medical emergencies, for example). Before traveling in remote or underdeveloped areas, plan an alternate method of contacting emergency services personnel. Remember, to make or receive any calls, the mobile device must be switched on and in a service area with adequate signal strength.

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network services and/or mobile device features are in use. Check with local service providers. If certain features are in use (call blocking, for example), you may first need to deactivate those features before you can make an emergency call. Consult your User Manual and your local celfular service provider. When making an emergency call, remember to give all the necessary information as accurately as possible. Remember that your mobile device may be the only means of communication at the scene of an accident; do not cut off the call until given permission to do so.

To make an emergency call:

- 1. If the mobile device is not on, switch it on.
- 2. Open your phone dialer.
- Enter the emergency number for your present location (for example, 911 or other official emergency number), then tap Call/Send. Emergency numbers vary by location.

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The U.S. Federal Communications Commission (FCC) has established requirements for digital wireless mobile devices to be compatible with hearing aids and other assistive hearing devices.

When individuals employing some assistive hearing devices (hearing aids and cochlear implants) use wireless mobile devices, they may detect a buzzing, humming, or whining noise. Some hearing devices are more immune than others to this interference noise, and mobile devices also vary in the amount of interference they generate.

The wireless telephone industry has developed a rating system for wireless mobile devices to assist hearing device users find mobile devices that may be compatible with their hearing devices. Not all mobile devices have been rated. Mobile devices that are rated have the rating on their box or a label located on the box.

The ratings are not guarantees. Results will vary depending on the user's hearing device and hearing loss. If your hearing device happens to be vulnerable to interference, you may not be able to use a rated mobile device successfully. Trying out the mobile device with your hearing device is the best way to evaluate it for your personal needs.

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generate less interference to hearing devices than mobile devices that are not labeled. M4 is the better/higher of the two ratings. M-ratings refer to enabling acoustic coupling with hearing aids that do not operate in telecoil mode.

T-Ratings: Mobile devices rated T3 or T4 meet FCC requirements and are likely to generate less interference to hearing devices than mobile devices that are not labeled. T4 is the better/higher of the two ratings. T-ratings refer to enabling inductive coupling with hearing aids operating in telecoil mode.

Hearing devices may also be rated. Your hearing aid manufacturer or hearing health professional may help you find this rating. Higher ratings mean that the hearing device is relatively immune to interference noise.

Under the current industry standard, American National Standards Institute (ANSI) C63.19, the hearing aid and wireless mobile device rating values are added together to indicate how usable they are together. For example, if a hearing aid meets the M2 level rating and the wireless mobile device meets the M3 level rating, the sum of the two values equals M5. Under the standard, this should provide the hearing aid user with normal use while using the hearing aid with the particular wireless mobile device. A sum of 6 or more would indicate excellent performance.



The HACrating and measurement procedure are described in the American National Standards Institute (ANSI) C63.19 standard.

HACfor Newer Technologies

This device has been tested and rated for use with hearing aids for some of the wireless technologies that it uses. However, there may be some newer wireless technologies used in this device that have not been tested yet for use with hearing aids.

It is important to try the different features of this device thoroughly and in different locations, using your hearing aid or cochlear implant, to determine if you hear any interfering noise. Consult your service provider or the manufacturer of this device for information on hearing aid compatibility. If you have questions about return or exchange policies, consult your service provider or device retailer.

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nument#: 98-2 Filed: 02/08/18 Page 40 of 54 PageID #:1282

Prolonged skin contact with a device that is not to the touch may produce skin discomfort or redness, or low-temperature burns. If the device feels not to the touch, discontinue use and close all applications or turn off the device until it cools. Always ensure that the device has adequate ventilation and air flow. Covering the device with bedding, your body, thick dothing or any other materials that significantly affect air flow may affect the performance of the device and poses a possible risk of fire or explosion, which could lead to serious bodily injuries or damage to property.

Restricting Children's Access to Your Mobile Device

Your mobile device is not a toy. Do not allow children to play with it because they could hurt themselves and others, damage the mobile device, or make calls that increase your mobile device bill.

Keep the mobile device and all its parts and accessories out of the reach of small children.

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SAMSUNG ELECTRONICS AMERICA, INC. ("SAMSUNG") warrants that SAMSUNG's devices and accessories ("Products") are free from defects in material and workmanship under normal use and service.

Samsung Electronics America, Inc.

85 Challenger Road

Ridgefield Park, New Jersey 07660

Phone: 1-800-SAMSUNG (726-7864)

End User License Agreement for Software (EULA)

The EULA for this device can be found:

Online at: www.samsung.com/us/Legal/SamsungLegal-EULA4

Health/Safety and Standard Limited Warranty Guide (Terms & Conditions of Sale)

The online version of the Health/Safety and Warranty guide for your device can be found at:

English:
www.samsung.com/us/Legal/Phone-HSQuide

Spanish: www.samsung.com/us/Legal/Phone-

HSGuide-SP

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Policy

ALL DISPUTES WITH SAMSUNG ARISING IN ANY WAY FROM THIS LIMITED WARRANTY OR THE SALE, CONDITION OR PERFORMANCE OF THE PRODUCTS SHALL BE RESOLVED EXCLUSIVELY THROUGH FINAL AND BINDING ARBITRATION, AND NOT BY A COURT OR JURY.

ANY SUCH DISPUTE SHALL NOT BE COMBINED OR CONSOLIDATED WITH A DISPUTE INVOLVING ANY OTHER PERSON'S OR ENTITY'S PRODUCT OR CLAIM, AND SPECIFICALLY, WITHOUT LIMITATION OF THE FOREGOING, SHALL NOT UNDER ANY CIRCUMSTANCES PROCEED AS PART OF A CLASS ACTION, THE ARBITRATION SHALL BE CONDUCTED BEFORE A SINGLE ARBITRATOR, WHOSE AWARD MAY NOT EXCEED, IN FORM OR AMOUNT, THE RELIEF ALLOWED BY THE APPLICABLE LAW. The arbitration shall be conducted according to the American Arbitration Association (AAA) Commercial Arbitration Rules applicable to consumer disputes. The AAA Rules are available online at adr.org or by calling the AAA at 1-800-778-7879. This arbitration provision is entered pursuant to the Federal Arbitration Act. The laws of the State of Texas, without reference to its choice of laws principles, shall govern the interpretation of the Limited Warranty and alldisputes that are subject to this arbitration

arbitration provision and the Limited Warranty.

For any arbitration in which your total damage claims, exclusive of attorney fees and expert witness fees, are \$5,000.00 or less ("Small Claim*), the arbitrator may, if you prevail, award your reasonable attorney fees, expert witness fees and costs as part of any award, but may not grant SAMSUNGits attorney fees, expert witness fees or costs unless it is determined that the claim was brought in bad faith. In a Small Claim case, you shall be required to pay no more than half of the total administrative, facility and arbitrator fees, or \$50.00 of such fees, whichever is less, and SAMSUNG shall pay the remainder of such fees. Administrative, facility and arbitrator fees for arbitrations in which your total damage claims, exclusive of attorney fees and expert witness fees, exceed \$5,000.00 ("Large Claim") shall be determined according to AAA rules. In a Large Claim case, the arbitrator may grant to the prevailing party, or apportion among the parties, reasonable attorney fees, expert witness fees and costs. Judgment may be entered on the arbitrator's award in any court of competent jurisdiction.

This arbitration provision also applies to claims against SAMSUNG's employees, representatives and affiliates if any such claim arises from the Product's sale, condition or performance.

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You may opt out of this dispute resolution purposed #: 98-2 Filed: 02/08/18 Page 44 of 54 PageID #:1286

later than 30 calendar days from the date of the first consumer purchaser's purchase of the Product. To opt out, you must send notice by e-mall to optout@sea.samsung.com, with the subject line: "Arbitration Opt Out." You must include in the opt out e-mail (a) your name and address; (b) the date on which the Product was purchased; (c) the Product model name or model number; and (d) the IME or MED or Serial Number, as applicable, if you have it (the IMEI or MEID or Serial Number can be found (i) on the Product box; (ii) on the Product information screen, which can be found under "Settings;" (iii) on a label on the back of the Product beneath the battery, if the battery is removable; and (iv) on the outside of the Product if the battery is not removable). Alternatively, you may opt out by calling 1-800-SAMSUNG (726-7864) no later than 30 calendar days from the date of the first consumer purchaser's purchase of the Product and providing the same information. These are the only two forms of notice that will be effective to opt out of this dispute resolution procedure. Opting out of this dispute resolution procedure will not affect the coverage of the Limited Warranty in any way, and you will continue to enjoy the benefits of the Limited Warranty.

Severability 21 Severability 2

be illegal or unenforceable, such partial illegality or unenforceability shall not affect the enforceability of the remainder of the Limited Warranty. [013016]

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Samsung Galaxy Note 7 recall by the numbers

Jefferson Graham, USA TODAY

Published 10:30 p.m. ET Oct. 10, 2016 | Updated 8:14 a.m. ET Oct. 12, 2016



(Photo: Richard Drew, AP)

LOS ANGELES — Just how bad is the situation with Samsung and its Galaxy Note 7 woes?

Fullscreen

Samsung has killed off its water-resistant, high-end smartphone, in what's being viewed as the biggest tech bust ever. After reports of exploding batteries this summer, Stamsung be 6 in livry e since 7, rescribed the device. That didn't work either.

photos

Here's a look, by the numbers:

Phones sold

Some 2.5 million worldwide of the Note 7, Samsung's "phablet," with a 5.7 inch LCD, as of early September when <u>Samsung said it would exchange</u> (/story/tech/2016/09/02/samsung-stops-galaxy-note-7-sales-after-battery-explosions/89759962/) the \$850 phones.

Recalled

1 million phones (/story/tech/news/2016/09/15/samsung-recalls-1m-note-7-phones/90427540/) in the United States, according to a late September recall announced with the U.S. Consumer Product Safety Commission. While large, it's far from the biggest tech recall. For instance, in August 2006, PC-maker Dell recalled 4.1 million notebook computers (http://www.nbcnews.com/id/14350403/ns/technology and science-tech and gadgets/t/dell-customers-respond-recall/#.V9shsDuTLow) after reports the lithium ion batteries that powered them could overheat and sometimes catch fire. Many of the biggest recalls have involved hot lithium-ion batteries.

If you own a Samsung Note 7, it's time to get a new phone

(http://smartphones.reviewed.com/features/recall-or-not-if-you-own-a-samsung-

note-7-its-time-to-get-a-new-phone)

Fires, burns - and more fires

When Samsung announced an official recall with the CPSC in mid-September, it said it had received 92 reports of batteries (/story/tech/news/2016/09/15/samsung-recalls-1m-note-7-phones/90427540/) in the popular smartphone overheating in the U.S., resulting in 26 instances of burns and 55 of property damage. In the weeks since, at least three owners of replacement Note 7s, in Minnesota (/story/tech/news/2016/10/08/replacement-samsung-galaxy-note-7-burns-minn-teen/91807068/), Kentucky (/story/tech/2016/10/09/samsung-investigating-third-note-7-fire-incident/91822726/) and on a Southwest Air flight (/story/news/2016/10/05/samsung-galaxy-note-7-explodes-while-boarding-southwest-flight/91602698/) that had to be evacuated, reported fires with their replacement device.

Cost to Samsung

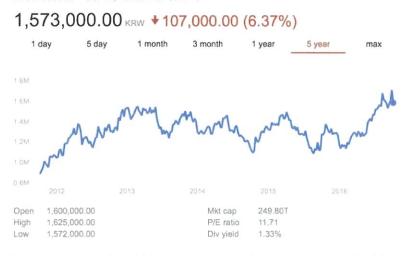
As much as \$2 billion, reports the <u>Japan Times</u>. (http://www.japantimes.co.jp/news/2016/10/10/business/samsung-halts-output-galaxy-note-7-face-2-billion-recall-cost/) The massive consumer tech and appliance company hasn't telegraphed too much pain to shareholders yet. It recently forecast its operating profit (/story/tech/2016/10/07/samsung-earnings-grow-despite-note-7-recall/91717992/) would reach 7.8 trillion won, about \$7 billion, in the third quarter, up from 7.4 trillion won in the same period last year. It expected sales would fall 5%.

Share price roller coaster

Samsung shares on the Korean stock market dove 6% Tuesday after Samsung said it was halting exchanges and sales (/story/tech/news/2016/10/10/retailers-bail-samsung-note-7/91830510/) globally. Even though Samsung lost tens of billions in market cap in early September, it still hit a new high days before announcing it would halt sales.

PLAINTIFF'S
EXHIBIT





Samsung shares hit a high before sinking on the latest Galaxy Note 7 problem. (Photo: Google Finance)

Dial in

What consumers need to do to ditch their phones - bring them back to the wireless carrier or retailer and exchange them for another phone. Samsung is offering \$25 gift cards with the exchange. Consumers with the phones can call 1-844-365-6197 to get more information or visit samsung.com/us/note7recall).

TALKING TECH NEWSLETTER

A weekly dose of the best personal tech to help you live your best gadget-assisted life.

Your Email	Sign Me Up

Read or Share this story: http://usat.ly/2e1Qisq

IN THE UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS – WESTERN DIVISION

MICHAEL TAYLOR,

Plaintiff,

Case No. 3:16-CV-50313

٧.

SAMSUNG ELECTRONICS AMERICA, INC., a New Jersey Corporation and SAMSUNG ELECTRONICS CO., LTD, a Foreign Limited Liability Company,

Defendants.

<u>DEFENDANTS' RESPONSES TO</u> PLAINTIFF'S DOCUMENT REQUESTS

Defendants, SAMSUNG ELECTRONICS AMERICA, INC. ("SEA") and SAMSUNG ELECTRONICS CO., LTD ("SEC") (collectively, "Defendants"), by and through their attorneys, and pursuant to the Court's Orders of August 4, 2017 [Dkt.# 58], October 6, 2017 [Dkt.# 78], and October 12, 2017 [Dkt.# 84] , state as follows for their responses to Plaintiff's document requests:

(a) Non-privileged documents relating to the decision to use the words "affiliates" in the Galaxy Note 7 arbitration provision from the period beginning two years preceding the date of the occurrence described in the complaint.

RESPONSE: With respect to the requested time period of September 2014 to

In the Court's discretion and based on all of the foregoing, it grants the defendants' motion to limit discovery as follows: the defendants shall produce (a) non-privileged documents relating to the decision to use the words "affiliates" in the Galaxy Note 7 arbitration provision from the period beginning two years preceding the date of the occurrence described in the complaint, and (b) documents identifying the number of non-owners who opted out of the arbitration clause. Responses to all other discovery requests by the plaintiff shall remain stayed pending a decision on the motion to compel arbitration.

Id. at p. 5 [Dkt.# 58]. Defendants asserted objections to the Order, which the District Court overruled on October 6 [Dkt.# 78]. During a telephonic status conference held on October 12, the Court set a deadline of November 7 for Defendants' responses [Dkt.# 84].



¹ The specific requests Defendants respond to herein are set forth in the Court's discovery order of August 4, 2017, wherein the Court stated:

September 2016, Defendants have no responsive documents in their possession, custody, or control.

(b) Documents identifying the number of Galaxy Note7 non-owners who opted out of the arbitration clause.

RESPONSE: See Exhibit A, attached hereto, which provides the number of arbitration opt-outs received by Defendants for the Galaxy Note7 in the United States. Defendants state that the Arbitration Agreement for the Note7 sets out the information that someone must provide to opt out of arbitration: "You must include in the opt-out email (a) your name and address; (b) the date on which the Product was purchased; (c) the Product model name or model number; and (d) the IMEI or MEID or Serial Number, as applicable, if you have it.... Alternatively, you may opt out by calling 1-800-SAMSUNG (726-7864) ... and providing the same information." The Arbitration Agreement does not ask whether the user is an owner or non-owner of the device, and the data that Defendants collect concerning opt-outs thus does not distinguish between owners and non-owners.

> SAMSUNG ELECTRONICS AMERICA, INC. and SAMSUNG ELECTRONICS CO., LTD,

By:

David M. Holmes Erik J. Tomberg

WILSON ELSER MOSKOWITZ

EDELMAN & DICKER LLP

55 West Monroe Street, Suite 3800

Chicago, Illinois 60603-5016

312.704.0550

david.holmes@wilsonelser.com erik.tomberg@wilsonelser.com

CERTIFICATE OF SERVICE

Under penalties as provided by law, the undersigned certifies that on November 7, 2017, a true and correct copy of the foregoing was served on all attorneys of record via electronic mail, and first class mail, postage prepaid, at his/her respective business address indicated below, as follows:

Devon C. Bruce Jonathan M. Thomas Power, Rogers & Smith 70 W. Madison Street – Suite 5500 Chicago, IL 60602 dbruce@prslaw.com jthomas@prslaw.com Jan H. Ohlander Reno & Zahm, LLP 2902McFarland Road – Suite 400 Rockford, IL 61107 jho@renozahm.com

Erik J Tomberg

Exhibit A

From	Subject Arbitration Opt	Received
	Out Arbitration Opt	12/16/2016
	Out Arbitration Opt	10/18/2016
	Out Arbitration Opt	9/13/2016
	Out Arbitration Opt	9/10/2016
	Out Arbitration Opt	9/9/2016
	Out Arbitration Opt	8/23/2016
	Out Arbitration Opt	8/22/2016
	Out Arbitration Opt	9/28/2016
	Out Arbitration Opt	9/12/2016
	Out Arbitration Opt	9/1/2016
	Out Arbitration Opt	8/23/2016
	Out Arbitration Opt	8/23/2016
	Out Arbitration Opt	8/22/2016
	Out Arbitration Opt	9/13/2016
	Out Arbitration Opt	8/23/2016
	Out Arbitration Opt	8/23/2016
	Out Arbitration Opt	8/23/2016
	Out Arbitration Opt	8/30/2016
	Out Arbitration Opt	8/30/2016
	Out Arbitration Opt	9/2/2016
	Out Arbitration Opt	9/7/2017
	Out Arbitration Opt	9/9/2016
	Out Arbitration Opt	9/17/2017 9/17/2017

Out

Arbitration Opt

Out

Out

2/2/2017

Arbitration

4/7/2017

Arbitration Opt

Out

4/21/2017